204.7 Regulations — exemption for certain criminal offenses.

- 1. The Iowa crop improvement association recognized in chapter 177 shall adopt procedures to certify hemp seed capable of germination. Hemp seed certified under this subsection shall be presumed to comply with the requirements for hemp produced under this chapter.
- 2. A person who materially falsifies any information contained in an application under section 204.4 shall be ineligible to produce hemp under this chapter.
- 3. a. A licensee convicted of an offense punishable as a felony, for producing, possessing, using, harvesting, handling, manufacturing, marketing, transporting, delivering, or distributing a controlled substance before, on, or after the implementation date of this chapter shall be ineligible to produce hemp under this chapter for a ten-year period following the date of conviction.
- b. A licensee convicted in another state of an offense, punishable in that state as a felony, substantially corresponding to an offense described in paragraph "a", before, on, or after the implementation date of this chapter, shall be ineligible to produce hemp under this chapter for a ten-year period following the date of conviction. The department shall recognize the statute of another state which defines such offense substantially equivalent to an offense described in paragraph "a" as a corresponding statute.
- 4. The department shall adopt rules regulating the production of hemp, including but not limited to inspection and testing requirements under section 204.8 or 204.9, and the issuance of a temporary harvest and transportation permit or certificate of analysis under section 204.8. The department shall adopt rules as necessary to administer the negligent violation program. The department may adopt other rules as necessary or desirable to administer and enforce the provisions of this chapter relating to hemp or hemp products.
- 5. a. A person is not subject to a criminal offense involving hemp as otherwise prohibited in chapter 124 or 453B, if all of the following apply:
- (1) If the person is a licensee, the person carries the person's hemp license when possessing hemp.
- (2) The person carries a certificate of analysis, or a temporary harvest and transportation permit, if the person is in possession of harvested hemp. If the person is transporting harvested hemp into or through this state, the person must carry a certificate of analysis or an equivalent document issued to the person by the jurisdiction where the hemp was produced.
- (3) The person carries a certificate of analysis, if the person is delivering hemp seed for planting.
 - (4) The person carries a bill of lading under all of the following circumstances:
 - (a) The person is in possession of hemp in transit to transfer ownership.
- (b) The person is delivering hemp seed for planting and the seed is not of the licensee's own production.
 - (c) A person brings hemp produced in another state into or through this state.
- b. For purposes of paragraph "a", a criminal offense involving hemp includes but is not limited to production, use, harvest, transportation, delivery, distribution, or sale.
- 6. A person other than a licensee is not subject to a criminal offense involving hemp as described in subsection 5 if the person is authorized to be on the licensee's crop site by the licensee.
- 7. a. Except as provided in subsection 8, and section 204.14A, a person may engage in the retail sale of a hemp product if the hemp was produced in this state or another state in compliance with the federal hemp law or other applicable federal law. A person may engage in the retail sale of a hemp product if the hemp was produced in another jurisdiction in compliance with applicable federal law and the laws of the other jurisdiction, if such law is substantially the same as applicable federal law.
- b. A person may transport a hemp product within and through this state and may export a hemp product to any foreign nation, in accordance with applicable federal law and the law of the foreign nation.
- c. A hemp product complying with this subsection is not a controlled substance under chapter 124 or 453B.

- 8. a. Except as provided in paragraph "e", a consumable hemp product shall not be manufactured, sold, or consumed in this state unless all of the following conditions are met:
- (1) The consumable hemp product is manufactured in this state in compliance with this chapter.
- (2) The hemp contained in the consumable hemp product was produced exclusively in this state in compliance with this chapter.
- (3) The consumable hemp product complies with packaging and labeling requirements, which shall be established by the department of inspections and appeals by rule.
- b. A person manufacturing a consumable hemp product in this state shall register with the department of inspections and appeals on a form prescribed by the department of inspections and appeals by rule. The department of inspections and appeals may impose a fee, established by the department of inspections and appeals by rule, on a registrant not to exceed the cost of processing the registration. The department of inspections and appeals shall adopt rules for the revocation of a registration issued to a manufacturer who manufactures a consumable hemp product not in compliance with this chapter.
- c. A person selling a consumable hemp product in this state shall register with the department of inspections and appeals on a form prescribed by the department of inspections and appeals by rule and shall keep on the premises of the person's business a copy of the certificate of analysis issued pursuant to section 204.8 for the hemp contained in the consumable hemp products sold by the person. The department of inspections and appeals may impose a fee, established by the department of inspections and appeals by rule, on a registrant not to exceed the cost of processing the registration. The department of inspections and appeals shall adopt rules for the revocation of a registration issued to a person who sells a consumable hemp product not in compliance with this section.
- d. Except as otherwise provided in this subsection, a political subdivision of the state shall not adopt any ordinance, rule, or regulation regarding the manufacture, sale, or consumption of a consumable hemp product.
- e. A consumable hemp product manufactured in another jurisdiction pursuant to a state or tribal plan approved by the United States department of agriculture pursuant to the federal hemp law may be imported for use by a consumer or sale by a retailer to a consumer if the state has substantially similar testing requirements as those provided in section 204.8.
- f. A consumable hemp product manufactured, sold, or consumed in compliance with this subsection is not a controlled substance under chapter 124 or 453B regardless of whether the consumable hemp product has been approved by the United States food and drug administration.

2019 Acts, ch 130, \$7, 18, 19; 2020 Acts, ch 1065, \$5 - 11, 19; 2020 Acts, ch 1121, \$107 - 109 Referred to in \$204.4, 204.17